

INVESTIGATION PROCESS

As a follow-up to instructions from the President Director to carry out the investigative audit process, the Investigation Committee carried out the following:

1. Review problems and examination results of complaint reports that require an investigative audit process. If the investigation process concerns personnel and/or units in a subsidiary, the Investigation Committee will convey it to the Commissioners and Directors of the subsidiary in question;
2. Form an Investigation Team to carry out an investigative audit process in accordance with the authority referring to applicable regulations. The Investigation Team can consist of personnel from subsidiaries as needed;
3. Submit the Investigation Results Report to the President, Director, and/or Audit Committee as evaluation material for company management to be followed up to the next stage; and
4. If expert assistance is required to carry out the investigative audit process, the Investigation Committee may request the Main Director to process

the appointment and assignment of a Team of Experts to assist in handling the investigative audit process.

COOPERATION HANDLING OF INTEGRATED WBS

Telkom, together with 26 other SOEs and the Corruption Eradication Commission (KPK), signed a Perjanjian Kerja Sama (PKS) on March 2, 2021. This PKS aims to be an effort to eradicate criminal acts of corruption through the implementation of an integrated WBS. The scope of this collaboration includes:

1. Formulation and/or strengthening of the internal rules for handling complaints;
2. Commitment to complaint handling management;
3. Handling complaint through application;
4. Coordination and joint activities for handling complaints; and
5. Exchange of data and/or information.

Further discussion of WBS can be found in Sustainability Report.

POLICY REGARDING REPORTING SHARE OWNERSHIP OF DIRECTORS AND COMMISSIONERS

Each member of the Board of Directors and Board of Commissioners of Telkom has reported to the Financial Services Authority, either directly or indirectly, regarding ownership and any changes in ownership of Public Company shares in accordance with the provisions of OJK Regulation No. 11/POJK.04/2017 concerning Ownership Reports or Any Changes in Ownership of Public Company Shares by the Board of Directors and Board of Commissioners. Provisions regarding reporting of share ownership are also regulated internally in the Board Manual for the Board of Directors and Board of Commissioners as stated in the Joint Regulation of the Board of Commissioners and Directors No. 05/KEP/DK/2022 and No. PD.620.00/r.01/HK200/COP-M4000000/2022 concerning Guidelines for the Work Procedures of the Board of Commissioners and Directors (Board Manual) of the Company (Persero) PT Telekomunikasi Indonesia, Tbk.

The Company routinely reports the share ownership of members of the Board of Directors and members of the Board of Commissioners every month. It is disclosed in the Annual Report and Financial Report. In the Annual Report for Fiscal Year 2023, Telkom reports information on share ownership by members of the Board of Directors and Board of Commissioners, as well as changes in the "Shareholder Composition" section.

All members of the Board of Directors and Board of Commissioners must report changes in share ownership by three working days after ownership or change in ownership of Public Company shares occurs. This policy applies to all members of the Board of Directors and Board of Commissioners. In 2023, several Board of Directors and Board of Commissioners will receive Long Term Incentive (LTI) and Tantiem, which will be deferred for the 2022 financial year in the form of Telkom shares.

EMPLOYEE STOCK OWNERSHIP PROGRAM

Telkom has a policy of providing long-term, performance-based compensation for employees and management through share ownership programs, namely the Employee Stock Ownership Program (ESOP) and Management Stock Ownership Program (MSOP). The program aims to foster a sense of belonging and retain and appreciate employee contributions. This share ownership program started in 1995 when Telkom conducted an Initial Public Offering (IPO) and was carried out again on June 14, 2013. The conditions for implementing the ESOP carried out in 2013 were:

1. Number of Shares

Number of shares offered during ESOP program period in 2013 was 64,284,000 Series B stock which were the result of buyback phase III or Treasury Stock.

The amount was allocated to each participant with the following conditions:

- a. Participants have an active status, referring to the Band Position level, Role Category, and participant's contribution period as of December 31, 2012; temporary
- b. Participants have a non-active status, referring to the Band Position level and the contribution period during 2012, except in the event that the person concerned dies, the contribution is calculated at 100%.

Regarding the stock transfer process, employees who become program participants are subject to the provisions of the Lock-Up Period based on the following levels:

- a. Level BP I and II are subject to a Lock Up Period of 12 (twelve) months;
- b. Level BP III and IV are subject to a Lock Up Period of 6 (six) months;
- c. Levels BP V to VII are subject to a Lock Up Period of 3 (three) months.

2. Execution Time

Telkom stock ownership program by employees and/or management was implemented on June 14, 2013.

3. Employee and/or Management Requirements in Telkom Stock Ownership Program

- a. Meet Eligibility Criteria:
 - i. Employees of Company and Employees of Subsidiaries/Affiliates whose financial statements are consolidated in Telkom Financial Statements;
 - ii. Directors of Subsidiaries/Affiliates whose financial statements are consolidated, except BOD/BOC Telkom and Telkomsel.
- b. Have contributed at least 1 month in 2012;
- c. In the event that employee has an inactive status in 2013, then:
 - i. The person concerned is still entitled to participate in the program, with the allocation of stock calculated proportionally according to the contribution of the person concerned in 2012;
 - ii. The person concerned did not quit at his own request (APS), was dismissed due to a serious violation of employee discipline, and/or quit because he was appointed as the Board of Directors of a SOE.
- d. The program is optional with conditions: the right to buy is non-transferable and void if it is not used during the offer period.

4. Execution Pricing or Pricing

Whereas, in the implementation of employee stock ownership program in 2013, Telkom set a stock transfer price of Rp10,714 (ten thousand seven hundred and fourteen rupiah), which is 90% of the average closing price of stock trading for a period of 25 days prior to the price fixing date.

No.	Date	Number of Employees	Number of Shares	Stock Value
1.	November 14, 1995	43,218	116,666,475 shares	Rp239 billion
2.	June 14, 2013	24,993	59,811,400 shares (equivalent to 299,057,000 shares after a stock split)	Rp661 billion

SIGNIFICANT LEGAL DISPUTES

Throughout 2023, Telkom faced 153 legal cases consisting of 55 criminal law cases and 98 civil law cases. Among these cases, 62 cases are a continuation of cases from the previous period, while the remaining 91 cases are cases that began in 2023. Until the end of 2023, there are 97 cases that have not been completed and the process will continue for the next period.

Recapitulation of Lawsuits Cases in 2021-2023

Status	Legal Issues					
	2023		2022		2021	
	Criminal	Civil*	Criminal	Civil*	Criminal	Civil*
In process	42	55	18	44	18	28
Final and binding (inkracht)	13	43	27	27	10	14
Sub Total	55	98	45	71	28	42
Total	153		116		70	

Remark:

* Combination of Civil and Non-Litigation Cases.

Meanwhile, throughout 2023, there is one civil case against Telkom's Board of Director, whether they are still serving or those who have ended their positions.

INFORMATION REGARDING ADMINISTRATIVE SANCTIONS

Throughout 2023, Telkom did not receive administrative sanctions, whether members of the Board of Commissioners and/or Directors, by the Financial Service Authority (OJK) and other authorities.